

1 **STATE OF NEW HAMPSHIRE**
2 **PUBLIC UTILITIES COMMISSION**

3
4 **February 27, 2019** - 1:37 p.m.
5 Concord, New Hampshire

NHPUC 13MAR'19PM3:26

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8 RE: **DE 17-136**
9 **ELECTRIC AND GAS UTILITIES:**
10 **2018-2020 New Hampshire Statewide**
11 **Energy Efficiency Plan.**
12 **(Prehearing conference)**

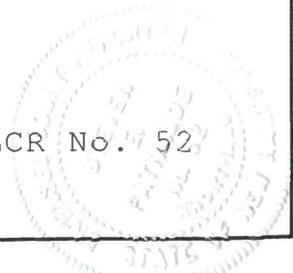
13 **PRESENT:** Chairman Martin P. Honigberg, Presiding
14 Commissioner Kathryn M. Bailey
15 Commissioner Michael S. Giaimo
16
17 Sandy Deno, Clerk

18 **APPEARANCES:** **Reptg. Eversource Energy:**
19 Robert A. Bersak, Esq.

20 **Reptg. Unutil Energy Systems, Inc.:**
21 Gary Epler, Esq.

22 **Reptg. Department of Environmental**
23 **Services:**
24 Rebecca Ohler

25 Court Reporter: Steven E. Patnaude, LCR No. 52


**CERTIFIED
ORIGINAL TRANSCRIPT**

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APPEARANCES: (C o n t i n u e d)

Reptg. Residential Ratepayers:

D. Maurice Kreis, Esq., Consumer Adv.
Brian D. Buckley, Esq.
James Brennan, Finance Director
Office of Consumer Advocate

Reptg. PUC Staff:

Paul B. Dexter, Esq.
Leszek Stachow, Asst. Dir./Electric
James J. Cunningham, Electric Division
Elizabeth Nixon, Electric Division
Jay Dudley, Electric Division

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I N D E X

PAGE NO.

STATEMENTS OF PRELIMINARY POSITION BY:

Mr. Bersak	5
Mr. Epler	8
Mr. Kreis	9
Mr. Dexter	9

QUESTIONS BY:

Chairman Honigberg	10, 11
Cmsr. Giaimo	13

P R O C E E D I N G

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2 CHAIRMAN HONIGBERG: We're here today
3 in Docket DE 17-136, which is the 2018 to 2020
4 Statewide Energy Efficiency Plan docket. We
5 have a proposal from Eversource and Unitil
6 regarding a Demand Reduction Initiative. We're
7 doing a prehearing conference. I believe there
8 was a technical session that will follow.

9 Before we do anything else, let's see
10 who we have here today.

11 MR. BERSAK: Good afternoon,
12 Commissioners. Robert Bersak, on behalf of
13 Eversource Energy.

14 MR. EPLER: Good afternoon,
15 Commissioners. Gary Epler, on behalf of
16 Unitil. And with me today are, to my left, Tom
17 Palma, he's the Manager of Distribution
18 Energy -- Distributed Energy Resources; and
19 Mary Downes, who's the Manager for
20 Administration and Compliance for Energy
21 Efficiency. Thank you.

22 MS. OHLER: Rebecca Ohler, for the
23 Department of Environmental Services.

24 MR. KREIS: Good afternoon. I'm Don

1 Kreis, the Consumer Advocate. With me today is
2 our staff attorney, Brian Buckley, and Jim
3 Brennan, our Director of Finance.

4 MR. DEXTER: Appearing on behalf of
5 the Commission Staff, Paul Dexter, Staff
6 counsel. Joined by many members of the
7 Electric Division.

8 CHAIRMAN HONIGBERG: All right. Is
9 there anything we need to do in the way of
10 preliminaries before we hear from the parties
11 on their initial positions?

12 *[No verbal response.]*

13 CHAIRMAN HONIGBERG: All right. Mr.
14 Bersak, why don't you start us off.

15 MR. BERSAK: Thank you. I don't
16 think this mike is working. So, I'll try to
17 yell loudly.

18 CHAIRMAN HONIGBERG: Let's go off the
19 record.

20 *[Brief off-the-record discussion*
21 *ensued.]*

22 CHAIRMAN HONIGBERG: All right.
23 We're back on the record. Mr. Bersak.

24 MR. BERSAK: Thank you. The

1 Supplemental Order of Notice notes that the
2 filing of the Commercial and Industrial Demand
3 Reduction Initiative by Unitil and Eversource
4 was the result of an approved settlement. And,
5 in fact, it results from two approved
6 settlements.

7 This Initiative began about a year
8 and a half ago as a result of the Commission's
9 approval of a Settlement in Docket DE 15-137,
10 the EERS proceeding. As part of the
11 Settlement, on September 1st, 2017, the state's
12 electric and gas utilities filed a 2018 to 2020
13 Statewide Energy Efficiency Plan. In December
14 of 2017, the second settlement was reached
15 regarding that Plan, and the Commission
16 approved the second settlement on January 2nd
17 of 2018.

18 It's this latter settlement, as noted
19 in the Supplemental Order of Notice, that
20 called for the Commercial and Industrial Demand
21 Reduction Initiative to be implemented in 2019
22 we both Eversource and Unitil. The joint
23 filing of January 28th proposing this
24 Initiative was made to fulfill this obligation.

1 This Initiative set forth by the two
2 companies is based on the recently evaluated
3 commercial and industrial active demand
4 reduction demonstration efforts from across
5 Massachusetts, Connecticut, and Rhode Island.
6 Based on the success of those regional
7 demonstration efforts, Eversource and Unitil
8 will offer incentives to reduce demand at key
9 times to realize customer value and system
10 benefits mainly tied to peak avoidance, as
11 quantified in the Avoided Energy Supply Cost
12 study.

13 As this proposal was made pursuant to
14 the 2018 settlement and the 2019 update to the
15 Statewide Energy Efficiency Plan, and also is
16 based on a successful model that was evaluated
17 in three other New England states, the
18 companies hope that approval of this Initiative
19 will be uncomplicated and swift.

20 We've answered the data requests
21 received from Staff, and we'll soon have a
22 technical session following this prehearing
23 conference to discuss this Initiative with the
24 other parties. If this Initiative is going to

1 be successful for this year's summer peaks,
2 it's important that we receive approval from
3 the Commission as soon as possible. We have an
4 ISO-New England deadline of June 1, and many
5 preliminary activities necessary to meet that
6 date.

7 So, to that end, it is our hope that
8 following the technical session, the parties
9 will be able to jointly recommend the
10 Commission approve the Demand Reduction
11 Initiative by order *nisi*, without a hearing.
12 This will give Eversource and Unitil the
13 greatest opportunity to successfully implement
14 the plan in time for this year's summer peaks.

15 Thank you.

16 CHAIRMAN HONIGBERG: Thank you, Mr.
17 Bersak. Mr. Epler.

18 MR. EPLER: Thank you, Mr. Chairman.
19 Unitil concurs in the statement of Mr. Bersak
20 and has nothing to add.

21 Thank you very much.

22 CHAIRMAN HONIGBERG: Ms. Ohler.

23 MS. OHLER: Nothing to add. Thank
24 you.

1 CHAIRMAN HONIGBERG: Mr. Kreis, I'm
2 sure you have something to add.

3 MR. KREIS: I will be very brief. We
4 commend the utilities for taking a concept that
5 has been proven in some of our neighboring
6 states and applying it here pursuant to the
7 agreements that Mr. Bersak referenced.

8 And I have a fair degree of optimism
9 that we will land precisely where Mr. Bersak
10 suggested that we ought to land.

11 CHAIRMAN HONIGBERG: Mr. Dexter.

12 MR. DEXTER: Thank you, Mr. Chairman.
13 Staff is generally supportive of the utilities'
14 filing. As Mr. Bersak indicated, it was made
15 timely in response to the recent Settlement in
16 the last phase of the EERS process.

17 Excuse me. The program is designed
18 to produce peak reductions this year, which was
19 important. It was an important aspect of the
20 Settlement when Staff signed it.

21 We are interested in looking at the
22 program further for its cost-effectiveness. We
23 noted that there was no cost/benefit analysis
24 provided with the program, although the

1 Settlement does require the Company to examine
2 the costs and the savings related to the
3 program. So, we would like to see that
4 expressed in a more traditional benefit/cost
5 perspective as other programs are in energy
6 efficiency. And we believe we will be able to
7 do that through the tech session.

8 We also want to look at the role of
9 the CSPs, Curtailment Service Providers, that
10 are the go-between between the utility and the
11 customers that will actually be asked to shed
12 their load. And we want to explore the
13 relationship, and in particular the incentives
14 that the CSPs will be offering the customers to
15 curtail. We're also interested in examining
16 the communications that will transpire between
17 the CSPs and the customers.

18 We expect that the companies will be
19 able to explain those relationships in a
20 satisfactory manner. And we, too, look forward
21 to a speedy approval of the program.

22 Thank you.

23 CHAIRMAN HONIGBERG: Thank you, Mr.
24 Dexter.

1 A question for anybody. Mr. Bersak,
2 suggested an order *nisi*. Not clear to me that
3 the *nisi* would be necessary here, as we're in a
4 docket that has parties. This has all been
5 noticed we're having this event. People who
6 want to keep abreast of it are able to do that.

7 Why wouldn't this just be a
8 straight-up order? If the parties all agree
9 that this should be implemented, why wouldn't
10 we just be issuing an order, a final order?

11 MR. BERSAK: I think what I was
12 trying to get at was that try to avoid a
13 hearing, which would take -- would have to be
14 scheduled, have to take time for the
15 preparation of testimony, the
16 cross-examination, transcript, if we could
17 avoid that process.

18 Whether it's *nisi* or non-*nisi*, either
19 way would work, as long as it meets the
20 deadlines that we're facing to get a program in
21 place by the summer peak.

22 CHAIRMAN HONIGBERG: Can anyone come
23 up with the statutory section we're working
24 under here? Because if it's the type of

1 proceeding that requires a hearing, then, yes,
2 maybe the *nisi* would be appropriate. I guess
3 we're implementing something within an existing
4 docket as a pilot program. That's the
5 proposal, right?

6 MR. BERSAK: Yes.

7 CHAIRMAN HONIGBERG: I don't know.
8 We don't need to resolve -- we don't need to
9 resolve this as we sit here.

10 MR. EPLER: If I might suggest --

11 CHAIRMAN HONIGBERG: Mr. Epler.

12 MR. EPLER: If I might suggest, this
13 prehearing counts as a hearing. It was
14 noticed, and properly noticed and so on, and
15 people have an opportunity to appear and make
16 comment.

17 CHAIRMAN HONIGBERG: That's where I
18 was coming from, Mr. Epler.

19 MR. EPLER: Thank you.

20 CHAIRMAN HONIGBERG: But, again, we
21 don't need to resolve it while we're sitting
22 here. You know, there's a lot of smart people,
23 and including the lawyers, out there to think
24 about this, and maybe there's an answer that

1 can be provided. There will be a report
2 presumably following the technical session
3 regarding a schedule. It could be included in
4 there.

5 Anything else we need to take up
6 before we leave you to the technical session?

7 CMSR. GIAIMO: Can I ask one?

8 CHAIRMAN HONIGBERG: Sure.

9 Commissioner Giaimo.

10 CMSR. GIAIMO: Attorney Bersak, the
11 06/01 date you referenced, that's also the
12 commencement -- that's also the same time that
13 the capacity commitment starts. Is the 06/01
14 you represent -- that you discussed, is that a
15 hard date associated with the capacity market
16 or is it just you think 06/01 is a good time,
17 because that's consistent when a peak would
18 likely occur from that date forward?

19 MR. BERSAK: I'm going to let Mr.
20 Belair answer that, because he knows what he's
21 talking about.

22 MR. BELAIR: Both programs are
23 starting June 1st. The ISO 30-minute Demand
24 Program is starting June 1st, and our program

1 is starting June, as early as possible, we're
2 trying to hit the summer peak, the ISO-New
3 England summer peak.

4 CMSR. GIAIMO: Thank you.

5 CHAIRMAN HONIGBERG: All right.
6 Anything else?

7 *[No verbal response.]*

8 CHAIRMAN HONIGBERG: Well, thank you.
9 We will adjourn the prehearing conference,
10 leave you to your technical session, and look
11 forward to your report. Thank you all.

12 ***(Whereupon the prehearing***
13 ***conference was adjourned at***
14 ***1:47 p.m., and a technical***
15 ***session was held thereafter.)***